

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re SITO Mobile Ltd, Solutions, R&D IP
Debtor

Case No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 06/01/2021 - 06/30/2021

INITIAL MONTHLY OPERATING REPORT

File report and attachments with Court and submit copy to United States Trustee within 15 days after order for relief.

Certificates of insurance must name United States Trustee as a party to be notified in the event of policy cancellation. Bank accounts and checks must bear the name of the debtor, the case number, and the designation "Debtor in Possession." Examples of acceptable evidence of Debtor in Possession Bank accounts include voided checks, copy of bank deposit agreement/certificate of authority, signature card, and/or corporate checking resolution.

REQUIRED DOCUMENTS	Document Attached	Explanation Attached
12-Month Cash Flow Projection (Form IR-1)		
Certificates of Insurance:		
Workers Compensation		
Property		
General Liability		
Vehicle		
Other: Umbrella		
Identify areas of self-insurance w/liability caps		
Evidence of Debtor in Possession Bank Accounts		
Tax Escrow Account		
General Operating Account	x	June bank statements
Money Market Account pursuant to Local Rule 4001-3 for the District of Delaware <u>only</u> . Refer to:		
http://www.deb.uscourts.gov/		
Other:		
Retainers Paid (Form IR-2)		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

Thomas Candelaria

Signature of Debtor

7/22/2021

Date

Signature of Joint Debtor

Date

Thomas Candelaria

Signature of Authorized Individual*

7/22/2021

Date

Thomas Candelaria

Printed Name of Authorized Individual

CEO

Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

Case No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 06/01/2021 - 06/30/2021

(This schedule is to include each Professional paid a retainer 1)

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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEYIn re SITO Mobile Ltd, Solutions, R&D IP
DebtorCase No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 06/01/2021 - 06/30/2021

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	Yes	Yes	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a	Balance Sheet + P&L		
Schedule of Professional Fees Paid	MOR-1b	n/a		
Copies of bank statements		June Bank Statements		
Cash disbursements journals				
Statement of Operations	MOR-2	P&L		
Balance Sheet	MOR-3	Balance Sheet		
Status of Postpetition Taxes	MOR-4			
Copies of IRS Form 6123 or payment receipt				
Copies of tax returns filed during reporting period				
Summary of Unpaid Postpetition Debts	MOR-4	Yes		
Listing of aged accounts payable	MOR-4	Yes		
Accounts Receivable Reconciliation and Aging	MOR-5	Yes		
Debtor Questionnaire	MOR-5	Yes		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Thomas Candelaria

Signature of Debtor

7/22/2021

Date

Signature of Joint Debtor

Date

Thomas Candelaria

Signature of Authorized Individual*

7/22/2021

Date

Thomas Candelaria

CEO

Printed Name of Authorized Individual

Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

In re SITO Mobile Ltd, Solutions, R&D IP
Debtor

Case No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 06/01/2021 - 06/30/2021

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

SITO MOBILE SOLUTIONS, Case #20-21436

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal

	BANK ACCOUNTS				CURRENT MONTH		CUMULATIVE FILING TO DATE	
	OPER.	Payroll	TAX	DIP Account	ACTUAL	PROJECTED	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	0.00	0.00		73,257.70	73,257.70		73,257.70	
RECEIPTS								
CASH SALES					0.00			
ACCOUNTS RECEIVABLE	0.00			34,074.94	34,074.94		365,583.16	
LOANS AND ADVANCES					0.00			
SALE OF ASSETS					0.00			
OTHER (ATTACH LIST)	0.00				0.00		822,099.09	
TRANSFERS (FROM DIP ACCTS)	0.00				0.00		504,271.50	
TOTAL RECEIPTS	0.00	0.00		34,074.94	34,074.94		1,691,953.75	
DISBURSEMENTS								
NET PAYROLL				53,980.26	53,980.26		382,531.96	
PAYROLL TAXES				13,428.53	13,428.53		128,837.99	
SALES, USE, & OTHER TAXES					0.00			
INVENTORY PURCHASES					0.00			
SECURED/ RENTAL/ LEASES					0.00			
INSURANCE				6,291.44	6,291.44		360,010.41	
ADMINISTRATIVE				418.24	418.24		4,244.01	
SELLING					0.00			
OTHER (ATTACH LIST)				7,099.64	7,099.64		180,808.48	
OWNER DRAW *					0.00			
TRANSFERS (TO DIP ACCTS)					0.00		504,271.50	
PROFESSIONAL FEES				0.00	0.00		100,000.00	
U.S. TRUSTEE QUARTERLY FEES					0.00		11,051.60	
COURT COSTS					0.00			
TOTAL DISBURSEMENTS	0.00	0.00	0.00	81,218.11	81,218.11		1,671,755.95	
NET CASH FLOW	0.00	0.00	0.00	-47,143.17	-47,143.17		67,340.97	
(RECEIPTS LESS DISBURSEMENTS)								
CASH - END OF MONTH	0.00	0.00	0.00	26,114.53	26,114.53		26,114.53	

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)	
TOTAL DISBURSEMENTS	81,218.11
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	0.00
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	81,218.11

In re SITO Mobile Ltd, Solutions, R&D IP
Debtor

Case No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 06/01/2021 - 06/30/2021

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Continuation Sheet for MOR-1 (Solutions)

This section contains the details for "other" under the Receipts section

This section contains the details for "other" under the Disbursements section

Microsoft 365	\$175.00
LimeGoat	\$598.00
Lisa Patrick Expense Reimbursement	\$5,811.93
ADP Payroll Fees	\$514.71
Total:	\$7,099.64

In re SITO Mobile Ltd, Solutions, R&D IP
DebtorCase No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 06/01/2021 - 06/30/2021**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS****SITO MOBILE R&D, Case #20-21437**

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT)]

	BANK ACCOUNTS				CURRENT MONTH		CUMULATIVE FILING TO DATE	
	R&D	PAYROLL	TAX	OTHER	ACTUAL	PROJECTED	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	207,744.41				0.00			
RECEIPTS								
CASH SALES								
ACCOUNTS RECEIVABLE								
LOANS AND ADVANCES								
SALE OF ASSETS								
OTHER (ATTACH LIST)							207,744.41	
TRANSFERS (FROM DIP ACCTS)								
TOTAL RECEIPTS					0.00		207,744.41	
DISBURSEMENTS								
NET PAYROLL								
PAYROLL TAXES								
SALES, USE, & OTHER TAXES								
INVENTORY PURCHASES								
SECURED/ RENTAL/ LEASES								
INSURANCE								
ADMINISTRATIVE								
SELLING								
OTHER (ATTACH LIST)								
OWNER DRAW *								
TRANSFERS (TO DIP ACCTS)								
PROFESSIONAL FEES								
U.S. TRUSTEE QUARTERLY FEES								
COURT COSTS								
TOTAL DISBURSEMENTS	0.00				0.00		0.00	
NET CASH FLOW	0.00				0.00		207,744.41	
(RECEIPTS LESS DISBURSEMENTS)								
CASH - END OF MONTH	207,744.41				207,744.41		207,744.41	

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)	
TOTAL DISBURSEMENTS	0.00
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	0.00

In re SITO Mobile Ltd, Solutions, R&D IP
Debtor

Case No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 06/01/2021 - 06/30/2021

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Continuation Sheet for MOR-1 (R&D)

This section contains the details for "other" under the Receipts section

Total:

\$0.00

This section contains the details for "other" under the Disbursements section

In re SITO Mobile Ltd, Solutions, R&D IP
Debtor

Case No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 06/01/2021 - 06/30/2021

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

SITO MOBILE Ltd, Case #20-21435

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1) . Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT)]

	BANK ACCOUNTS				CURRENT MONTH		CUMULATIVE FILING TO DATE	
	OPER.	PAYROLL	TAX	OTHER	ACTUAL	PROJECTED	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	0.00				0.00			
RECEIPTS								
CASH SALES								
ACCOUNTS RECEIVABLE								
LOANS AND ADVANCES								
SALE OF ASSETS								
OTHER (ATTACH LIST)								
TRANSFERS (FROM DIPACCTS)								
TOTAL RECEIPTS	0.00				0.00			
DISBURSEMENTS								
NET PAYROLL								
PAYROLL TAXES								
SALES, USE, & OTHER TAXES								
INVENTORY PURCHASES								
SECURED/ RENTAL/ LEASES								
INSURANCE								
ADMINISTRATIVE								
SELLING								
OTHER (ATTACH LIST)								
OWNER DRAW *								
TRANSFERS (TO DIP ACCTS)								
PROFESSIONAL FEES								
U.S. TRUSTEE QUARTERLY FEES								
COURT COSTS								
TOTAL DISBURSEMENTS	0.00				0.00		0.00	
NET CASH FLOW	0.00				0.00			
(RECEIPTS LESS DISBURSEMENTS)								
CASH - END OF MONTH	0.00				0.00			

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)	
TOTAL DISBURSEMENTS	0.00
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	0.00

Case No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 06/01/2021 - 06/30/2021

This schedule is to include all retained professional payments from case inception to current month.

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In re SITO Mobile Ltd, Solutions, R&D IP
Debtor

Case No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 06/01/2021 - 06/30/2021

STATUS OF POSTPETITION TAXES

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.
Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.
Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
Federal						
Withholding		\$3,781.92	\$3,781.92	1890.96 (Paid 6/3/2021) 1890.96(Paid 6/17/2021)	EFT	0
FICA-Employee		\$3,553.72	\$3,553.72	1776.88(Paid 6/3/2021) 1776.84(Paid 6/17/2021)	EFT	0
FICA-Employer		\$3,553.70	\$3,553.70	1776.85 (Paid 6/3/2021) 1776.85(Paid 6/17/2021)	EFT	0
Unemployment		\$0.00	\$0.00			0
Income						
Other:						
Total Federal Taxes		\$10,889.34	\$10,889.34			0
State and Local						
Withholding		\$1,901.30	\$1,901.30	950.65 (Paid 6/3/2021) 950.65(Paid 6/17/2021)	EFT	0
Sales						
Excise						
Unemployment		\$178.75	\$178.75	89.38 (Paid 6/3/2021) 89.37(Paid 6/17/2021)	EFT	0
Real Property						
Personal Property						
Other: Disability		\$459.14	\$459.14	229.56 (Paid 6/3/2021)229.58(Paid 6/17/2021)	EFT	0
Total State and Local		\$2,539.19	\$2,539.19			
Total Taxes		\$13,428.53	\$13,428.53			0

SUMMARY OF UNPAID POSTPETITION DEBTS

Attach aged listing of accounts payable.

	Number of Days Past Due					
	Current	0-30	31-60	61-90	Over 90	Total
Accounts Payable	452.56	0	3766.99		3241.14	32492.63
Wages Payable						
Taxes Payable						
Rent/Leases-Building						
Rent/Leases-Equipment						
Secured Debt/Adequate Protection Payments						
Professional Fees						
Amounts Due to Insiders*						
Other:						
Other:						
Total Postpetition Debts	452.56	0	3766.99		3241.14	32492.63

Explain how and when the Debtor intends to pay any past-due postpetition debts.
Through our DIP financing and accounts receivable.

*"Insider" is defined in 11 U.S.C. Section 101(31).

In re SITO Mobile Ltd, Solutions, R&D IP

Debtor

Case No(s). 20-21435, 20-21436, 20-21437

Reporting Period: 06/01/2021 - 06/30/2021

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount	
Total Accounts Receivable at the beginning of the reporting period	209,744.00	
+ Amounts billed during the period	6,699.11	
- Amounts collected during the period	34,074.94	
Total Accounts Receivable at the end of the reporting period	182,368.17	
Accounts Receivable Aging	Amount	
0 - 30 days old	-5,007.60	
31 - 60 days old	4,047.04	
61 - 90 days old	1,799.26	
91+ days old	123,129.22	
Total Accounts Receivable	123,967.92	
Amount considered uncollectible (Bad Debt)	2,327.79	
Accounts Receivable (Net)	121,640.13	

DEBTOR QUESTIONNAIRE

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		No
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		No
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	Yes	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	Yes	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		No

Account number: [REDACTED] 6162 ■ June 1, 2021 - June 30, 2021 ■ Page 1 of 2



SITO MOBILE SOLUTIONS INC
 DEBTOR IN POSSESSION
 CH11 CASE #20-21436 (NJ)
 123 TOWN SQUARE PL #419
 JERSEY CITY NJ 07310-1756

Questions?

Call your Customer Service Officer or Client Services
1-800-AT WELLS (1-800-289-3557)
 5:00 AM TO 6:00 PM Pacific Time Monday - Friday

Online: [wellsfargo.com](https://www.wellsfargo.com)

Write: Wells Fargo Bank, N.A. (182)
 PO Box 63020
 San Francisco, CA 94163

Account summary

WellsOne® Account

Account number	Beginning balance	Total credits	Total debits	Ending balance
[REDACTED] 6162	\$73,257.70	\$34,099.28	-\$81,242.45	\$26,114.53

Credits

Electronic deposits/bank credits

Effective date	Posted date	Amount	Transaction detail
	06/04	30,408.98	Over The Counter Deposit
	06/14	3,665.96	Site on Time, LLC AP Sot Jun 14 34798 Sito Mobile Solutions,
	06/23	24.34	Go Daddy Hist Rtn 210623 1379993928 Patrick
		\$34,099.28	Total electronic deposits/bank credits
		\$34,099.28	Total credits

Debits

Electronic debits/bank debits

Effective date	Posted date	Amount	Transaction detail
	06/02	17,282.28	WT Fed#07820 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0602310361021326 Trn#210602183851 Rfb# 6100162880
	06/02	5,129.96	WT 210602-175225 Bank of America, NE /Bnf=Lisa Patrick Pallack Srf# May 2021 Expense Trn#210602175225 Rfb# 2187
	06/03	6,714.28	WT Fed#04516 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0603336483004447 Trn#210603047123 Rfb# 0319913Vv
	06/04	1,066.67	WT Fed#04269 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0604401017003775 Trn#210604047036 Rfb# 0319914Vv
	06/04	452.56	< Business to Business ACH Debit - The Guardian Jun Gp Ins Jun 01 52161800Be20000 Sito
	06/04	437.06	< Business to Business ACH Debit - ADP Payroll Fees ADP - Fees 210604 662920343669711 Sito Mobile Solutions

**WELLS
FARGO****Electronic debits/bank debits (continued)**

Effective date	Posted date	Amount	Transaction detail
	06/09	299.00	WT Fed#01219 Jpmorgan Chase Ban /Ftr/Bnf=Limegoat Srf# May Invoice 0002 Trn#210608189856 Rfb# 2188
	06/09	299.00	WT Fed#01212 Jpmorgan Chase Ban /Ftr/Bnf=Limegoat Srf# June Invoice 000 Trn#210608189861 Rfb# 2189
	06/10	506.80	< Business to Business ACH Debit - Cna ACH Prem-Pymt 210608 3033560574 SITO Mobile, Ltd
	06/11	418.24	Client Analysis Svc Chrg 210610 Svc Chge 0521 000004833796162
	06/14	5,332.08	WT Fed#06700 US Bank, NA /Ftr/Bnf=Cigna Srf# Jun 2021 Premium Trn#210614169065 Rfb# 2190
	06/15	175.00	Microsoft 6041 EDI Paymnt Jun 14 Z418Ns1Jgy7Q TRN*1*Z418Ns1Jgy7Q\
	06/16	17,282.31	WT Fed#07265 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0616406015022555 Trn#210616169064 Rfb# 5700165177
	06/17	6,714.25	WT Fed#04246 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0617432666004386 Trn#210617044138 Rfb# 0432839Vv
	06/17	665.98	WT 210616-205636 Bank of America, NE /Bnf=Lisa Patrick Pallack Srf# 6/16/2021 Expens Trn#210616205636 Rfb# 2191
	06/17	15.99	< Business to Business ACH Debit - Go Daddy Web Order 210615 1379799628 Patrick
	06/18	1,066.67	WT Fed#04267 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0618490856004132 Trn#210618044868 Rfb# 0432840Vv
	06/18	77.65	< Business to Business ACH Debit - ADP Payroll Fees ADP - Fees 210618 10Fix 7277561 SITO Mobile Solutions
	06/21	24.34	< Business to Business ACH Debit - Go Daddy Web Order 210620 1379993928 Patrick
	06/30	17,282.33	WT Fed#06234 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0630460830008090 Trn#210630070697 Rfb# 0400273401
		\$81,242.45	Total electronic debits/bank debits
		\$81,242.45	Total debits

< **Business to Business ACH:** If this is a business account, this transaction has a return time frame of one business day from post date. This time frame does not apply to consumer accounts.

Daily ledger balance summary

Date	Balance	Date	Balance	Date	Balance
05/31	73,257.70	06/10	71,479.07	06/17	44,541.18
06/02	50,845.46	06/11	71,060.83	06/18	43,396.86
06/03	44,131.18	06/14	69,394.71	06/21	43,372.52
06/04	72,583.87	06/15	69,219.71	06/23	43,396.86
06/09	71,985.87	06/16	51,937.40	06/30	26,114.53
Average daily ledger balance		\$55,657.40			

Commercial Business Checking

Account number: [REDACTED] 6483 ■ June 1, 2021 - June 30, 2021 ■ Page 1 of 1

**WELLS
FARGO**SITO MOBILE R&D IP, LLC
123 TOWN SQUARE PL #419
JERSEY CITY NJ 07310-2778**Questions?**

Call your Customer Service Officer or Client Services

1-800-AT WELLS (1-800-289-3557)

5:00 AM TO 6:00 PM Pacific Time Monday - Friday

Online: [wellsfargo.com](https://www.wellsfargo.com)

Write: Wells Fargo Bank, N.A. (347)

P.O. Box 6995

Portland, OR 97228-6995

Account summary**Commercial Business Checking**

Account number	Beginning balance	Total credits	Total debits	Ending balance
[REDACTED] 6483	\$207,744.41	\$0.00	\$0.00	\$207,744.41

Daily ledger balance summary

Date	Balance
05/31	207,744.41

Average daily ledger balance \$207,744.41**IMPORTANT ACCOUNT INFORMATION**

Effective September 1, 2021, the non-Wells Fargo ATM balance inquiry fee will increase from \$2.00 to \$2.50, and the non-Wells Fargo ATM transfer fee will increase from \$2.00 to \$2.50. To avoid these fees, monitor your balances and transfer money by accessing Wells Fargo ATMs, calling the number on the back of your card, and using Wells Fargo Online® or the Wells Fargo Mobile® app. Availability may be affected by your mobile carrier's coverage area. Your mobile carrier's message and data rates may apply. These fees may not be applicable to all customers and may vary depending on the type of Account you have. For more details, refer to the applicable Wells Fargo Fee and Information Schedule for your Account.

Balance Sheet

As of June 30, 2021

Jun 30, 21

ASSETS

Current Assets

Checking/Savings

1021 · Wells Fargo R&D IP Checking 207,744.41

1011 · Wells Business Checking DIP BK 26,114.53

0001 · ADP P/R Clearing 17,282.33

Total Checking/Savings 251,141.27

Accounts Receivable

1200 · Accounts Receivable 123,967.92

Total Accounts Receivable 123,967.92

Other Current Assets

1207 · Accounts Receivable Other

1398 · Allowance for Bad Debts -2,327.79

Total 1207 · Accounts Receivable Other -2,327.79

Total Other Current Assets -2,327.79

Total Current Assets 372,781.40

Fixed Assets

1418 · Property and Equipment, Net

1419 · Property and Equipment

1420 · Leasehold Improvements 290,873.62

1430 · Office Furniture & Equipment 212,377.07

1440 · Machinery & Equipment 3,190.94

1510 · Computer Equipment/Software 209,972.16

1515 · IVR-Computer Equipment/Software 5,683.63

1522 · Boise Data Center 7,859.19

Total 1419 · Property and Equipment 729,956.61

1570 · Accumulated Depreciation

1573 · Accum. Dep.-Furn. & Fixtures -212,377.07

1576 · Accum. Dep.-Mach. & Equip. -3,190.94

1579 · Accum. Dep.-Soft. & Computers -209,972.16

1582 · Accum. Dep.-IVR Comp. Equip. -5,683.63

1585 · Accum. Deprec.-Boise Data Ctr. -7,859.19

1587 · Accum. Dep.-Leasehold Impro. -290,873.62

Total 1570 · Accumulated Depreciation -729,956.61

Total 1418 · Property and Equipment, Net 0.00

Total Fixed Assets 0.00

Other Assets

1671 · Capitalized Development Costs

1675 · Software Development Costs 4,599,888.31

1676 · Accum. Amort. Soft. Dev. Costs -4,599,888.31

Total 1671 · Capitalized Development Costs 0.00

1790 · Patents Application Cost

1792 · Accum. Amort. - Patent Costs -2,437,607.02

1790 · Patents Application Cost - Other 2,751,605.97

Total 1790 · Patents Application Cost 313,998.95

Balance Sheet

As of June 30, 2021

	Jun 30, 21
1950 · Deposits and other assets	
1600 · Security Deposit - Rents	5,098.00
Total 1950 · Deposits and other assets	5,098.00
1980 · Technology	
1980.01 · Technology - Total Costs	970,000.00
1980.02 · Technology - Amortization	-970,000.00
Total 1980 · Technology	0.00
1985 · Customer Relationships	
1985.01 · Customer Relationships - Total	870,000.00
1985.02 · Customer Relationships - Amor.	-870,000.00
Total 1985 · Customer Relationships	0.00
1990 · Backlog	
1990.01 · Backlog - Total Cost	110,000.00
1990.02 · Backlog - Amortization	-110,000.00
Total 1990 · Backlog	0.00
Total Other Assets	319,096.95
TOTAL ASSETS	691,878.35
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	13,010,028.19
Total Accounts Payable	13,010,028.19
Other Current Liabilities	
2004 · Loan from Government PPP	1,292,100.00
2008 · Note Payable	
2008-00 · Hiroaki Aoyama.	521,207.00
2008-16 · Gavin A. Scotti Jr.	308,910.00
2008-15 · Stephen D Baksa	310,620.00
2008-14 · Hiroaki Aoyama	103,650.00
2008-13 · MediaJel	276,721.00
2008-12 · Gavin Scotti, Sr.	100,394.00
2008-11 · Ted Cooper Gardening Service	134,903.00
2008-09 · Stephen D. Baksa	689,012.00
2008-08 · Blackwell Aviation Inc.	136,667.00
2008-07 · Superius Securities Group, Inc.	341,663.00
2008-02 · Medford Bragg	243,343.00
2008-03 · Invenire Partners LP	690,625.00
2008-04 · Edward M Giles	138,859.00
2008-05 · Christopher Scotti	450,772.00
2008-06 · Gavin A Scotti Jr	1,231,485.00
Total 2008 · Note Payable	5,678,831.00
2009 · Accrued Expenses	
2010 · Accrued Expense	612,000.00
2021 · Accrued Interest - N/P	15,462.43

Balance Sheet**As of June 30, 2021**

	Jun 30, 21
2022 · Accrued Bonus Compensation	65,000.00
2100 · Accrued Payroll	
2102 · Accrued Payroll Taxes	27,415.09
2104 · Accrued Payroll - Officer	478,333.41
Total 2100 · Accrued Payroll	505,748.50
Total 2009 · Accrued Expenses	1,198,210.93
Total Other Current Liabilities	8,169,141.93
Total Current Liabilities	21,179,170.12
Total Liabilities	21,179,170.12
Equity	
3001 · Common Stock	25,642.10
3004 · Add.Paid-In Capital - Warrants	-1,061,578.00
3005 · Additional Paid-In Capital	189,721,941.46
3100 · Retained Earnings	-209,124,350.71
Net Income	-48,946.62
Total Equity	-20,487,291.77
TOTAL LIABILITIES & EQUITY	691,878.35

Profit & Loss

June 2021

	Jun 21
Ordinary Income/Expense	
Income	
5000 · Revenue	
5100 · Media Placement Programs	6,699.11
Total 5000 · Revenue	6,699.11
Total Income	6,699.11
Gross Profit	6,699.11
Expense	
6000 · Operating Expenses	
6149 · Royalties & Applications Costs	
6150 · Program Expenses	
6192 · Sito Program Expenses	5,200.00
Total 6150 · Program Expenses	5,200.00
Total 6149 · Royalties & Applications Costs	5,200.00
6404 · Depreciation and amortization	
8309 · Amort. - Patent Expense	5,593.61
Total 6404 · Depreciation and amortization	5,593.61
6405 · Payroll Expenses	
6406 · Payroll	
6410 · Payroll - Officer	8,333.34
6411 · Payroll - Employees	50,761.62
Total 6406 · Payroll	59,094.96
6420 · Payroll Taxes	
6421 · Social Security Tax (ER)	2,880.12
6422 · Medicare Tax (ER)	673.60
6435 · NJ Unemployment Tax (ER)	157.50
Total 6420 · Payroll Taxes	3,711.22
6430 · Employee Benefits	
6431 · 125 Health Insur. (ER-EE)	-2,134.84
6432 · 125 Dental Insur. (ER-EE)	826.92
6430 · Employee Benefits - Other	-2,133.34
Total 6430 · Employee Benefits	-3,441.26
6405 · Payroll Expenses - Other	514.71
Total 6405 · Payroll Expenses	59,879.63
7019 · General and administrative	
7020 · Telecom	
7021 · Wireless	300.00
Total 7020 · Telecom	300.00
7040 · Insurance	
7042 · Insurance - Worker's Comp.	506.80
Total 7040 · Insurance	506.80
7059 · Administrative Expenses	
7092 · Dues and Subscriptions	279.96
7095 · Bank, Finance & Late Fees	418.24
7780 · Software	299.00

Profit & Loss

June 2021

	Jun 21
Total 7059 · Administrative Expenses	997.20
Total 7019 · General and administrative	1,804.00
Total 6000 · Operating Expenses	72,477.24
6402 · Server Hosting	31.97
Total Expense	72,509.21
Net Ordinary Income	-65,810.10
Other Income/Expense	
Other Expense	
8050 · Interest Exp. - Misc.	3,944.00
Total Other Expense	3,944.00
Net Other Income	-3,944.00
Net Income	-69,754.10

Profit & Loss

October 8, 2020 through June 30, 2021

	Oct 8, '20 - Jun 30, 21
Ordinary Income/Expense	
Income	
5000 · Revenue	
5009 · Licensing and royalties	
5010 · Licensing and royalties	207,744.41
Total 5009 · Licensing and royalties	207,744.41
5100 · Media Placement Programs	188,044.52
Total 5000 · Revenue	395,788.93
Total Income	395,788.93
Gross Profit	395,788.93
Expense	
6000 · Operating Expenses	
6149 · Royalties & Applications Costs	
6150 · Program Expenses	
6192 · Sito Program Expenses	145,381.79
Total 6150 · Program Expenses	145,381.79
Total 6149 · Royalties & Applications Costs	145,381.79
6404 · Depreciation and amortization	
8309 · Amort. - Patent Expense	87,969.69
8310 · Amort. - Technology	40,416.65
Total 6404 · Depreciation and amortization	128,386.34
6405 · Payroll Expenses	
6406 · Payroll	
6410 · Payroll - Officer	461,666.73
6411 · Payroll - Employees	480,994.12
Total 6406 · Payroll	942,660.85
6420 · Payroll Taxes	
6421 · Social Security Tax (ER)	26,996.05
6422 · Medicare Tax (ER)	6,577.44
6424 · CA Unemployment Tax (ER)	1,736.00
6435 · NJ Unemployment Tax (ER)	945.00
6437 · NY Unemployment Tax (ER)	399.00
6447 · TX Unemployment Tax (ER)	67.50
Total 6420 · Payroll Taxes	36,720.99
6430 · Employee Benefits	
6431 · 125 Health Insur. (ER-EE)	16,213.31
6432 · 125 Dental Insur. (ER-EE)	4,147.93
6430 · Employee Benefits - Other	-7,995.51
Total 6430 · Employee Benefits	12,365.73
6405 · Payroll Expenses - Other	24,251.04
Total 6405 · Payroll Expenses	1,015,998.61
7019 · General and administrative	
7020 · Telecom	
7021 · Wireless	1,170.00
7023 · Local/Long Dist/Conferencing	175.89

October 8, 2020 through June 30, 2021

	Oct 8, '20 - Jun 30, 21
Total 7020 · Telecom	1,345.89
7040 · Insurance	
7042 · Insurance - Worker's Comp.	3,364.43
7045 · Insurance - D & O	225,722.24
Total 7040 · Insurance	229,086.67
7050 · Professional Services	
7051 · Legal	
7051.04 · Legal -Bankruptcy	100,000.00
7051.01 · Legal - General	3,588.18
7051 · Legal - Other	-100,000.00
Total 7051 · Legal	3,588.18
7052 · Accounting	6,011.89
7056 · STS Stock Agent	912.35
7057 · SEC Edgarizing/Filing Fees	14,596.53
7100 · Market./Consult./Presentations	10,575.00
Total 7050 · Professional Services	35,683.95
7059 · Administrative Expenses	
7010 · Office Rent	200.00
7070 · Postage and Delivery	9.50
7080 · Office Supplies/Expense	1,100.00
7085 · Permits & License Fees	115.00
7092 · Dues and Subscriptions	60,845.98
7095 · Bank, Finance & Late Fees	4,329.21
7780 · Software	3,735.36
8350 · Bad Debts Expense	194,973.76
Total 7059 · Administrative Expenses	265,308.81
Total 7019 · General and administrative	531,425.32
Total 6000 · Operating Expenses	1,821,192.06
6402 · Server Hosting	31.97
Total Expense	1,821,224.03
Net Ordinary Income	-1,425,435.10
Other Income/Expense	
Other Income	
8000 · Other Income	1,003,544.45
Total Other Income	1,003,544.45
Other Expense	
8050 · Interest Exp. - Misc.	33,570.00
9000 · Misc. Expense	2,981.03
9001 · State Corporate Taxes	800.00
9003 · Other Taxes	454.08
9018 · Impaired Asset Write-Off	422,304.56
Total Other Expense	460,109.67
Net Other Income	543,434.78
Net Income	-882,000.32